

STATE SENATOR . MICHAEL PRUSI . 38TH DISTRICT

Prusi Press Release

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SEN. PRUSI CALLS ON MCCA TO OPEN ASSESSMENT PROCESS

Announcement comes on heels of 12 % MCCA rate increase

LANSING – Sen. Mike Prusi (D-Ishpeming) today called on legislators to disclose the Michigan Catastrophic Claims Association (MCCA) assessment process, making it subject to the Open Meetings Act and The Freedom of Information Act (FOIA). The MCCA is a reinsurance authority formed to help cover unlimited lifetime medical benefits for auto accident injury victims. His request comes on the heels of today's MCCA announcement of a 12 percent assessment increase for 2005.

Although the MCCA was created by the legislature, the current process exempts the MCCA from the Michigan Open Meetings Act and FOIA requirements, so there is no public accounting of the increase. The MCCA made news in 2004 when MCCA assessments increased 27 percent, from \$100 to \$127.24 per vehicle. Today's increase will raise the annual MCCA fee to \$142.70 per vehicle.

"I'm deeply concerned about the process in which these rates are increased," Prusi said. "A public body should be subject to public oversight."

Senate Bills 152 and 153, which Senator Prusi has cosponsored, has bi-partisan support. They are currently sitting in the Senate Committee on Banking and Financial Institutions.

The introduction of the legislation coincides with "Sunshine Week" which celebrates openness in government. Recently, the Freedom of Information Act has been under attack by interest groups seeking to exempt certain information from the act. And numerous public entities have been cited for Open Meetings Act violations. "Sunshine Week" emphasizes the public's right and need for open information.

"This issue is about fairness and affordability," Prusi said. "I'm hopeful that my colleagues in the Senate will work quickly to ensure that Michigan residents do not receive an unfair rate increase next year."

For a downloadable audio clip from Senator Prusi, please visit:

<http://www.senate.mi.gov/prusi/Audioclips/MCCA031605.wav>

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Mike Prusi serves as Democratic Vice Chair of the Senate Appropriations Committee. He represents the 38th Senate District, which includes all Upper Peninsula counties west of Luce County.